Initial Customer Appraisal Report

Description of Premises and Site:

All references are made as facing the front elevation of the property.

The risk address comprises a four-storey, mid-terraced house of traditional construction. The front elevation is finished with facing brick walls with painted stone detailing to the window heads and sills. There is a small gable projection over the three-storey bay and the roof is pitched and clad in concrete tiles.

To the rear of the property is a three-storey, flat roofed projection behind which is a two-storey projection and to the rear of that is a single storey extension. The rear projections are of similar construction to the main building, The left flank wall at ground floor level is finished with painted render and the single storey extension has a flat, felt roof.

The property has been converted into four separate dwelling flats and to the rear is a paved and grassed garden for sole use of the ground floor flat.

Foul and surface water drains extend to the front and rear of the property.

The property is located in a busy residential street within the London Borough of Camden.

Discovery of Damage:

We were advised that damage was first noted within the upper flats in the summer of 2019 and Insurers were notified of the situation on 31st October 2019. Loss adjusters were appointed who have been dealing with the matter since but have recently discovered a conflict of interest therefore the matter has been passed to QuestGates Chartered Loss Adjusters to manage to conclusion.

Nature & Extent of Damage:

Externally

- A vertical crack approximately 2mm wide at the junction between the single-storey extension and the two-storey projection to the left-hand side extending from the eaves narrowing to hairline when reaching the top of a small masonry storage structure.

- There was no damage to the left-hand junction between the main house and the rear projection.

- There was no access to the opposite side of the rear projection, which would be viewed from the rear garden of 45 Gondar Gardens.

Internally

Flat A (Lower Ground Floor)

- A vertical crack to the right-hand party wall in the hallway at the junction between the main terrace and the rear projection. The crack is 2mm wide at ceiling level narrowing to hairline and tapering out when reaching the top of the staircase.

- In the foremost left-hand bedroom, there is a vertical hairline crack in the partition with the hallway and at the junction between the main house and the rear projection. A hairline crack then continues across the ceiling.

- There is gapping between the floorboards and the skirting to the centre of the partition with the central bedroom. This is not immediately consistent with subsidence but rather a slight drop in the level of the suspended timber structure beneath.

- In the central bedroom, which occupies a position within the two-storey rear projection, there is a crack to the wall junction in the rear left corner of hairline width expanding to 2mm and then extending diagonally in the partition with the rear bedroom increasing in width to 5mm.

- In the rear bedroom, which is within the single-storey rear extension, there is no sign of any damage.

Flat B (Ground Floor Level)

- This is located within the ground floor of the main terrace only and there was no sign of any damage.

Flat C (First Floor Level)

- There is no sign of any cracking in the rear bedroom, which is in the two-storey rear projection and where there is damage at ground floor level in the rear left corner.

- In the hallway, there is a hairline crack in the partition with the bathroom and at the junction between the rear projection and the main terrace. This follows the line of a crack repair undertaken at the same junction in 2021 following water damage.

Flat D (Second Floor Level)

- In the sitting room in the front left corner, there is a vertical crack at the junction of the front elevation and the partition with the kitchen corresponding with the gable over the front bay. This appeared aged and longstanding and not related to the subsidence damage at the rear.

- In the kitchen in the front right corner, there is a similar crack at the junction between the front elevation and the partition with the sitting room which is not subsidence related.

- In the bedroom in the rear left corner, there is a vertical crack at the wall junction between the rear elevation and the partition with the hallway; 3mm

wide at ceiling level narrowing to 1mm and consistent with rotation of the rear projection.

- In the hallway, there is a vertical crack to the right-hand party wall at the junction of the rear projection and the main building approximately 4mm wide at the top tapering out when reaching the floor.

- There is a similar crack on the opposite side of the hallway at the junction between the main house and the rear projection corresponding with the vertical crack described in the bedroom; approximately 5mm wide at the top narrowing to approximately 3mm wide when reaching the floor.

- In the bathroom, there are cracks around the wall/ceiling junction but not to the walls and not related to subsidence movement.

Communal Hallway

- There is a crack to the right-hand party wall on the first-floor half landing at the junction between the main house and the rear projection approximately 10mm wide at ceiling level narrowing to approximately 3mm when reaching the floor.

- The crack continues around the wall/ceiling junction and down the opposite side of the hallway in the partition with Flat C, approximately 3mm wide at ceiling level narrowing to hairline.

Cause:

The pattern of cracking towards the rear of the property is consistent with slight subsidence of the foundations of the three-storey rear projection and the two-storey rear projection away from the main terrace.

The cracking in the front of the top flat is related to a historic weakness in the front gable and not subsidence.

A site investigation has been undertaken comprising a trial pit and borehole beneath the rear left corner of the single-storey extension. This has revealed a concrete foundation with a depth of just over 1m bearing onto stiff clay soil. The clay was found to be highly plastic. There were some signs of desiccation of the clay at depth and there was root activity to a depth of 1.7m. Roots were identified from a species of rose and either oak or sweet chestnut.

We do not have detail of the foundation beneath the rear projection, which would be suspected to be shallower.

The underground drainage system at the rear was surveyed and no defects were identified.

An arboricultural consultant provided a report in February 2021 recommending removal of bay and rose shrubs by the Insured and removal of a large mature oak tree located in the rear garden of the neighbouring property at 45 Gondar Gardens. The shrubs in question were observed to have been removed.

Level monitoring has been undertaken between March 2021 and March 2022. This has recorded slight seasonal movement, but only with a maximum magnitude of 4mm, which is not of structural significance. Crack width monitoring has also been undertaken. This has recorded seasonal opening and closing of the cracks during the summer of 2021 with a maximum change of just under 1mm.

The investigations and monitoring confirm the most probable cause of movement at the rear to have been shrinkage of the highly plastic clay substrata beneath foundation level during dry weather conditions, probably following the dry summer of 2018 and aggravated by nearby vegetation.

Vegetation management has been completed with the exception of removal of the large oak tree in the neighbour's rear garden. We understand that this tree has a preservation order. Evidence to apply for removal of the tree preservation order, given the relatively slight movements recorded by the monitoring to date, is not strong.

Recommendations:

1. We recommend that crack and level monitoring continue through the summer of 2022 and that the results are reviewed in the autumn. If the readings record similar magnitudes of movement to that recorded already, then we would recommend a scheme of robust superstructure repair and decoration is undertaken. The absence of any significant damage within Flat C following the crack repairs in 2021 suggests that movement at present is not significant.

2. We recommend that the owner of 45 Gondar Gardens, shown by a land registry search to be "Michelle Dina Grainger", is contacted to ascertain the present position regarding maintenance/removal of the oak tree and whether they also have a subsidence claim. It is likely that the significant cracks in the party wall in the hallway continue through to the opposite side within No.45.

3. Should monitoring record more significant movement this summer, more detailed site investigations may be required. At present, we have only ascertained the foundation detail of the single-storey extension and not the foundation and subsoil conditions beneath the rear projection and, in particular, beneath the right-hand party wall which is the focal point of concern.

SUPPLEMENTARY COMMENTS ON MONITORING - 12/12/2022

Level monitor readings taken up to 14/11/22 have recorded a significant drop of Point 5 which is located on the rear left corner of the extension. This is consistent with shrinkage of the clay soil during the summer of 2022, most probably aggravated by nearby vegetation. There are signs of slight recovery between September and November 2022 as the ground begins to rehydrate.

Crack width monitoring has recorded a significant opening of around 5mm over the same period.

We anticipate underpinning costs to be in the region of [redacted] should the vegetation not be removed. Underpinning works would also render the property uninhabitable and incur a loss of rent claim from the insured for approximately 6

months at [redacted] (this figure is estimated based on expected duration of underpinning works).

The superstructure repairs were initially expected to cost [redacted] There will, however, have been some progression of the damage since our initial visit and we therefore are allowing [redacted] for the superstructure repairs.

We have included VAT inclusive repair comparison below:

With tree removal, repair costs are expected to be [redacted]

Without tree removal, repair costs are expected to be [redacted]